

## Park System Development Charges (SDCs)

### Public Comments & Responses from the April 24, 2012, Council Meeting

As required by state statute, a 90-day notice of intent to update the park SDCs was sent to interested parties, and the methodology was available for public review at least 60 days prior to this meeting. Additionally, staff met with Ernie Platt and Justin Wood from the Home Builders Association of Metropolitan Portland (HBA) and discussed the proposed updates.

The only comments received were from Mr. Wood of the HBA; his comments are attached and are summarized as follows:

Date	Comment	Response - April 24, 2012 Council Meeting
3/9/12	Mr. Wood questioned the \$350,000 cost per acre for park land purchases used in the methodology.	The city's consultant updated the per acre cost for park land using the cost indexes outlined under park SDCs in the city's Master Fees & Charges Schedule. Based upon these indexes, the cost of park land decreased from \$350,000 to \$240,555 per acre. Construction costs were also reviewed per the Master Fees & Charges Schedule indexes; there were no significant changes in construction costs. The Park & Recreation System Development Charge Study, dated March 23, 2012, contains updated SDC numbers which reflect the decrease in the cost of park land. This study was available to the public April 4, 2012. Council reviewed the study during its April 24, 2012, study session.
3/9/12	Mr. Wood urged the council to delay or phase-in increases in park SDCs.	The council discussed implementation of SDCs at its April 24, 2012, meeting. Council consensus was to phase-in park SDCs over a two-year period. This phase-in is reflected in the attached excerpt from the proposed fiscal year 2012-2013 Master Fees & Charges Schedule slated for council consideration at the June 12, 2012, meeting.

It is important to note that neither of these comments affects the SDC methodology. Instead, they pertain to how the SDCs are implemented. For example, the per acre cost of park land gets "plugged into" the SDC methodology to arrive at actual numbers.

## Steve Martin

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**From:** Justin Wood <justinw@hbapdx.org>  
**Sent:** Friday, March 09, 2012 11:52 AM  
**To:** Steve Martin  
**Subject:** Parks SDC Comments

Steve, I wanted to get back to with you with some of our comments regarding the potential Parks SDC increase. First let me say, thank you for including the HBA in the discussion about the Parks SDC increase. While I feel strongly that this is the wrong time in our economy to further raise fees on new homes which place additional pressure on home affordability. I realize that this increase is part of the approved master plan for parks.

When the master plan was approved, I don't imagine that anyone anticipated that the recession we are currently in, would have the severity and length that we are currently in. Due to today's market conditions, I feel the council should take into consideration if this is the right time to raise fees of this magnitude. While this may be an approved plan, we strongly urge the council consider delaying this increase until the economic conditions have improved. When this plan was approved, we really were not expecting that we would still be in the recession we are in. Many builders are just starting to come out from being under water and these types of increases can reverse the small gains they have made. Please also consider that Tigard just recently raised their water meter fees as well.

In reviewing the methodology calculations, the one question I would like a little more review of is the cost allocated to new park land purchases. Currently the methodology has allocated \$350,000 per acre to parks land purchases, several of our members who know land values in the Tigard area feel that the value assigned to the new parks is too high and warrants further review.

This increase, if approved represents an over 60% increase over the current SDC. I would strongly urge that for this large of an increase, the City of Tigard consider ways to phase it in over a period of time.

Please let me know if you have any comments about my questions and would like to talk further. Can you provide me with the current timeline for the council to review these fees?

Thanks,

Justin Wood  
Sent from my iPad